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FISCAL IMPACT REPORT

SPONSOR Tsosie DATE TYPED 2/17/05 HB _____

SHORT TITLE Frequency of Child Medicaid Eligibility SB 486

ANALYST Weber

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			\$2,522.1	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
		\$6,466.2	Recurring	Federal Medicaid

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department

SUMMARY

Synopsis of Bill

Senate Bill 486 (SB 486) amends Section 27-2B-15 NMSA 1978 to mandate 12-month continuous eligibility for children 18 and under who are receiving Medicaid benefits.

Significant Issues

The Human Services Department comments.

SB 486 proposes language that would provide for continuous eligibility to children eighteen (18) years of age and younger who receive Medicaid benefits, and would provide for continuous eligibility to children who qualify as an eligible member of a benefit group under the State Children's Health Insurance Program (SCHIP).

Six-month non-continuous eligibility was instituted July 1, 2004, to comply with recommendations from House Bill 2 (HB 2) of the 2004 Legislative session to implement cost containment initiatives within the Medicaid program.

The additional cost to the Department is estimated to be *at least* \$2,522,100.00, and this does not include reprogramming costs for the ISD2 eligibility system. Those costs are estimated at \$100,000.

The change from six-month non-continuous eligibility to 12-month continuous eligibility would likely lead to sharper enrollment growth in the Medicaid program. Cases that potentially would become ineligible during the year would be allowed to remain open for up to 12 months.

FISCAL IMPLICATIONS

The estimated cost to the Medicaid programs for 12-month continuous eligibility for children 18 and under who are receiving Medicaid benefits is \$8,988,200, of which \$2,522,100 is General Fund, for FY 06.

While certain income-based categories currently have a six-month non-continuous eligibility period, those individuals with disabilities or who are elderly still have a 12-month eligibility period.

MW/lg